

***- Volunteers Left in the Dust as Gas Mileage Rate Increases Only for Businesses; Business Travelers Get 58.5 Cents/Mile as Volunteers Get Appalling 14 Cents/Mile -***

***- Proposal Supported By More Than 100 Charitable Organizations, Including Local Red Cross -***

***- Standing with Representatives from the Westchester County Red Cross and Local Fire Departments at the Verplanck Firehouse, Hall Makes Push to Ease Pain at the Pump for Local Charities and Volunteers -***

Verplanck, NY - With rising gas costs making driving more and more expensive, U.S. Representative John Hall (D-NY19) today announced his push for bipartisan legislation to dramatically increase the size of the federal tax deduction for miles driven while performing charity work. In June, business travelers received a gas mileage rate hike from the Internal Revenue Service (IRS) to 58.5 cents per mile but the rate for charity workers remained at just 14 cents per mile.

To make sure volunteer first responders and volunteers for charities who provide valuable services to the community receive a fair reimbursement rate, Hall is proposing a bill that would nearly triple the current rate of 14 cents per mile -- which hasn't been increased since 1997 -- to better keep pace with the record spike in gas prices. The bill would permanently set the charity mileage reimbursement rate at 70 percent of the business rate.

"Volunteer firefighters and EMS workers trying to make a difference in their community shouldn't have to cut back because of high gas prices," said Hall. "America's spirit of community responsibility is one of our most vibrant assets, and we need to keep it strong by increasing the deduction for charitable driving. This increase in the deduction will make it easier to do the things that make our neighbors lives better."

Local emergency responders and charities provide critical assistance to residents across Westchester County and the entire region. Hall is concerned that high gas prices could force local charities to either cut back or cut off the much-needed services to Westchester County and area residents.

In June, the IRS increased the mileage rate for business use from 50 cents per mile to 58.5 cents. Americans who use their car to perform charity work, like volunteer firefighting, are also allowed to take a deduction on their taxes for each mile driven. But due to a quirk, the IRS does not have the power to make adjustments administratively to the mileage rate for charity work. That rate, which is set at a meager 14 cents, can only be adjusted by statute.

In an effort to help fire departments, first-responders and charities slammed by record-high gas prices, Hall, joined by representatives from the Red Cross and Westchester Fire Companies, announced the introduction of his bill to permanently set the charity mileage reimbursement rate at 70 percent of the business rate. This would have the effect of increasing the deduction from its current level of 14 cents per mile to about 40 cents per mile. In the future, when the IRS makes new adjustments to the business rate, the charity rate would also get a proportional lift.

The bill also would change current law so that volunteers who are already reimbursed for their travel by a charitable organization at the business rate can no longer be taxed on the difference between that amount and the mileage rate for volunteers.

According to the American Automobile Association, in 2007, for an average car driven 10,000 miles a year, the true cost was closer to 71 cents a mile – and that was before gas prices soared to above \$4/gallon this year. The legislation would boost the incentive for volunteers to continue performing work for charities, even as rising gas costs threatens to make those activities cost-prohibitive.

The legislation, the Giving Incentives to Volunteers Everywhere (GIVE) Act of 2008, has a companion bill in the Senate, introduced by U.S. Senator Charles Schumer (D-NY).

Nationwide, several leading charitable organizations publicly embraced the legislation, including the Red Cross, United Way, Catholic Charities, Independent Sector and the UJA Federation of Jewish Philanthropies of New York.

John Ravitz, CEO of the Westchester branch of the Red Cross, knows well how much local volunteers give in terms of time and increasingly money to help their neighbors. "The American Red Cross in Westchester County could not do its work without its volunteers. In fact, 96% of our work force is volunteers. These are extraordinary individuals whose compassion and commitment is awe inspiring. We see that now in the relief efforts for Hurricane Gustav. We are extremely grateful to Congressman Hall for supporting this initiative to recognize their work and contribution." said Ravitz.

"This initiative is a good reminder that some elected officials are still standing up for volunteers, and it couldn't come at a more important time with the rising cost of gasoline," said Bob Moon, president of the Westchester Volunteer Firemen's Association.

Several of the leading charitable organizations in the Hudson Valley support the proposal, including the Red Cross and the AARP.